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Department of Energy

Washington, DC 20585

May 19, 2000

Major General Hans A. Van Winkle
Director of Civil Works
U.S. Army Corps of Engineers
Department of the Army
Washington, D.C. 20314-1000

Dear General Van Winkle:

This letter is in follow up to a phone conversation between Department of Energy (DOE) and Army Corps of Engineers (USACE) staff concerning the potential eligibility of the former Guterl Specialty Steel site (formerly, Simonds Saw and Steel site) in Lockport, New York, for inclusion in the Formerly Utilized Sites Remedial Action Program (FUSRAP). The site is currently under the custody of a bankruptcy trustee.

The former Manhattan Engineer District (MED) and the former Atomic Energy Commission (AEC) used this site for atomic energy defense activities. Usage of these facilities ended during the 1950s. The facility was used for foundry work on uranium and thorium metal. The metals were heated in ovens and then were rolled, extruded, or otherwise shaped using metallurgical methods. The site owner has since declared bankruptcy and has been dissolved. The State of New York, the U.S. Environmental Protection Agency, the Department of Commerce, and the bankruptcy trustee have contacted the DOE regarding concerns about residual radioactivity at this site.

Pursuant to these concerns, the DOE and the bankruptcy trustee funded the conduct of a radiological survey of the site by the Oak Ridge Institute for Science and Education, and a copy of the radiological survey report is enclosed. The contaminants of concern from MED and AEC activities might include industrial chemicals (metal working fluxes, solvents, fuel oil, acids, bases, etc.) and radioactive substances (e.g., thorium and uranium).

Section III.D.1. of the Memorandum of Understanding (MOU) between DOE and the USACE regarding the program administration and execution of the FUSRAP provides that the DOE:

- a. Shall perform historical research and provide a FUSRAP eligibility determination, with historical references, as to whether a site was used for activities which supported the Nation's early atomic energy program;

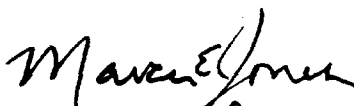
- b. Shall provide USACE with the determination, a description of the type of processes involved in the historical activities at the site, the geographic boundaries of those activities (as reflected by documentation available to DOE), and the potential radioactive and/or chemical contaminants at the site; and
- c. Shall maintain records of determination of eligibility and other files, documents, and records associated with the site.

In accordance with the MOU, the DOE has performed historical research regarding the former Simonds Saw and Steel site and has concluded that this site was used for activities which supported the Nation's early atomic energy program. Some historical information supporting this conclusion is enclosed. Additional historical information is being prepared by my staff for transmittal to your staff.

Accordingly, the former Simonds Saw and Steel site would be eligible for inclusion in the FUSRAP if the Corps determines, under Section III.D.2 of the MOU, that response action under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is required to address FUSRAP-related contamination at the site.

Please call me on (202) 586-6331 if you would like to discuss this issue or if you would like further information related to the sites.

Sincerely,



James J. Fiore *for*
Deputy Assistant Secretary
for Site Closure

Enclosure

cc w/o enclosure:

Gene Del Tredici, DOC

Kent Hanson, DOJ

Randy Harwell, DOJ

Maureen Leary, New York Assistant Attorney General

Steven R. Miller, GC-51